

HOME FRONT

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY

SUMMER 2000

MESSAGE FROM THE EXECUTIVE DIRECTOR

I am pleased to introduce the first issue of *Home Front*, the quarterly newsletter of the New Jersey Housing and Mortgage Finance Agency. The goal of *Home Front* is to foster greater communication with our many partners by providing coverage of events, milestones and program information. With this issue I am also proud to announce the debut of the new HMFA logo.

HMFA is dedicated to increasing affordable housing opportunities for all New Jerseyans. In this issue of *Home Front*, we have high-lighted some of our recent accomplishments. Through the sale of housing revenue bonds we are financing \$89 million in multi-family affordable housing. Our UHORP program's Phase VI developments have been approved adding 213 for-sale homes into our urban neighborhoods.

At HMFA, we are always pursuing new initiatives and partnerships to develop affordable housing opportunities. We have many success stories to tell and look forward to sharing them with you in this and future issues.



DEBORAH DE SANTIS



HMFA

New Jersey Housing
and Mortgage
Finance Agency

HOME OWNERSHIP FINANCING FOR ADOPTIVE FAMILIES

Since its introduction last year, the Home Ownership for Permanency Project has opened the door to home ownership for 10 lower income adoptive families and provided permanent homes for approximately 34 adopted children. The Permanency Project is designed to reduce the number of children in foster care by helping families who are unable to adopt because of insufficient, inadequate or unaffordable housing.

Under the Home Ownership for Permanency Project HMFA provides home buyer mortgages at below market interest rates, with 100% financing if needed, for low- and moderate-

income adoptive parents and relative caregivers faced with inadequate or unaffordable housing. Financing for home improvement, rehabilitation and refinancing to enhance or enlarge a current home is also available. The children adopted through the state Department of Human Services, Division of Youth and Family Services (DYFS) are mainly children who were removed from their birth parents due to abuse or neglect. Many of the children have special needs, such as behavioral and emotional problems, developmental disabilities and physical disabilities.

In July 1999, the Hannah family of Neptune became the first family to receive a loan under the Home Ownership for Permanency Project. In addition to raising their own teenagers, Evelyn and Darnell Hannah wanted to adopt the three foster children in their care, a set of twin girls and a boy. Each child was born with

developmental and physical disabilities, and the family needed a home that would accommodate a variety of accessibility improvements.

The Hannah's were thrilled to locate the ideal home with a one story floor plan and plenty of bedrooms, but they could not find a mortgage lender who would approve the mortgage. Their caseworker at DYFS believed the Hannah's fit the criteria for the Home Ownership for Permanency Project

and referred them to HMFA where they were approved for a mortgage and received additional financing for accessibility improvements.

"This is an important step in the Whitman administration's comprehensive



THE HANNAH FAMILY

statewide effort to encourage and support permanent, affordable housing opportunities for children in foster care and the adoptive families who love and care for them," said Deborah De Santis, HMFA Executive Director. "I am proud of HMFA's role making New Jersey the first state in the nation to address the needs facing families who have room in their hearts, but just need a little more room in their home, to adopt children in foster care."

The \$4 million Home Ownership for Permanency Project was created through a partnership of HMFA and the state Department of Human Services, Division of Youth and Family Services. The Catastrophic Illness in Children Relief Fund Commission provided half of the program funding through a \$2 million matching grant.



DRAWING BY DESIGN GROUP ARCHITECTURA

SYLVAN SUMMER HOMES, NEWARK, NJ

UHORP SUCCESS CONTINUES IN PHASE VI

In April, HMFA Board of Directors approved the funding of Phase VI of the Urban Home Ownership Recovery Program (UHORP), which includes 179 new for-sale homes and 34 rehabilitated homes in 7 developments across the state.

Phase VI will finance the construction of both single family and two-family units in distressed urban neighborhoods in four cities. The two-family units contain a rental component for tenants earning low-to moderate-incomes. The developments will contain a mixture of market rate units and units affordable to low- and moderate-income home buyers. HMFA will also offer mortgages with no downpayment through its 100% Financing Program to qualified home buyers purchasing in one of the Phase VI developments.

"The goal of UHORP is to encourage mixed-income owner-occupied housing growth and to stabilize the state's urban neighborhoods," stated Department of Community Affairs Commissioner Jane M. Kenny. "In partnering with private lenders we are working to create an even better state for New Jersey's families to live in."

Since its first funding phase in June 1996, UHORP has financed the construction of approximately 2,250 units in 69 developments across the state. To date, HMFA has committed to a total of \$176 million in construction financing and subsidy funds over the six phases of UHORP.

"UHORP has not only been successful in providing for-sale homes in our urban areas, but also in providing valuable construction jobs that strengthen the state's economy," said HMFA Executive Director Deborah De Santis. "We are proud to be involved in financing new home ownership opportunities in our cities."



TRENTON AREA SOUP KITCHEN VOLUNTEERS

Once a month, a group of HMFA employees volunteers at the Trenton Area Soup Kitchen. Volunteers assist in the preparing and serving meals to hungry individuals in the Trenton community. The soup kitchen serves over 2,000 meals a week.

HMFA Trenton Area Soup Kitchen volunteers:

Greg Adkins, Anna Auerbach,
Anna Bafaloukos, Tracee Battis,
Bruce Blumenthal, Steve Brame,
James Gaumond, Whit Gooch,
Rick Griffiths, Jerry Keelen, Herb Korte,
Connie Levine, Claudia Lovas

Jackie Lovett, Juan Martinez,
Karen Mellor, Renee Miller,
Paul O'Keeffe, Jim Peasco, Fred Raffa,
Audrey Savas, Francis Thomas
Karen Torian, Beverly Vichko,
Morris Warner

INCENTIVES TO ENCOURAGE COMMUNITY REVITALIZATION NEAR URBAN COLLEGES AND UNIVERSITIES



In January, Gov. Christie Whitman launched the nation's first urban revitalization initiative that offers cash incentives to encourage faculty and staff of select, urban public colleges and universities to buy homes near institutions of higher learning.

"Our goal is to create vibrant, economically diverse neighborhoods around urban public colleges and universities in New Jersey by encouraging more faculty and staff to buy homes there. We want our cities to be great places to live as well as learn," said Gov. Christie Whitman.

The \$2.5 million College & University Homebuyers' Program offers \$10,000 in down payment assistance to full-time faculty or staff, regardless of their household income, who buy homes in established target areas. In addition, employees who already own homes in a target area may apply for up to \$5,000 in state matching funds to make improvements to their home's exterior.

Paul Tandoh, the first home buyer to use the program, is an attorney and assistant professor at Essex County College. "On a nice day I can walk to the campus," said Mr. Tandoh. "I can shout through my window and let the judge know I am on my way."

PARTICIPATING INSTITUTIONS

CAMDEN

- Camden County College
- Rutgers University
- University of Medicine and Dentistry of New Jersey
- Rowan University (Camden Campus Only)

NEW BRUNSWICK

- Rutgers University
- University of Medicine and Dentistry of New Jersey

NEWARK

- Essex County Community College

- New Jersey Institute of Technology
- Rutgers University
- University of Medicine and Dentistry of New Jersey

JERSEY CITY

- Hudson County Community College
- New Jersey City University

TRENTON

- Mercer County Community College
- Thomas Edison State College

VINELAND

- Cumberland County Community College

\$89.7 MILLION IN HOUSING BONDS ISSUED

In February 2000, HMFA completed the sale of \$89.7 million in triple-A-rated multi-family housing revenue bonds. Proceeds from the bond sale will be used to fund construction or permanent financing for 10 multi-family developments throughout the state. Of the 1,116 units to be constructed, 168 will be affordable for families with low- to moderate-incomes. In addition to providing affordable housing for families, the bond sale will provide financing for 478 units of affordable housing for seniors and financing for 4 assisted living developments.

"Governor Whitman has made affordable housing a priority. These developments not only provide families and seniors with housing opportunities, but provide construction jobs that help strengthen the state's economy."

Commissioner Jane M. Kenny
Department of Community Affairs

The HMFA Multi-family Division also provided \$30.9 million in financing during the 1st quarter of 2000 for 278 units in 3 assisted living facilities through a 100% participation loan with the AFL-CIO Housing Investment Trust. The three Spring Oak assisted living facilities will provide 111 affordable units for seniors who wish to remain independent, but need assistance with daily living activities.

"We are committed to finding innovative ways to develop housing opportunities for New Jersey residents," said HMFA Executive Director Deborah De Santis.

A Developer's Appreciation Luncheon was held on March 23 at HMFA's headquarters in Trenton for the owners and development teams of the projects financed through the February 2000 bond sale and the assisted living facilities financed with the AFL-CIO. Department of Community Affairs Commissioner and HMFA Chairman Jane M. Kenny presented each developer with a token of appreciation.

The February bond sale will also finance the rehabilitation of two properties previously used for other purposes. The Rug Mill Families and Rug Mill Seniors developments are located on the site of the former A&M Karageusian Rug Mill in Freehold

Borough, Monmouth County. The Rug Mill is currently being converted into approximately 200 units of affordable housing for seniors and families, as well as a police sub-station and family court. The Rug Mill was in operation from 1905 to 1965 and produced high quality carpets used in hotels, ocean liners and in the U.S. Supreme Court building in Washington D.C. The anticipated completion dates for Rug Mill Families is July and for Rug Mill Seniors, September.

In a similar case of adaptive re-use, Clare Estates in Bordentown, Burlington County is an assisted living facility to be located on the site of St. Clare's Monastery, an excellent example of Romanesque architecture built in 1885. The Monastery was formerly the St. Joseph's Academy, a well known parochial school led by the Sisters of Mercy. The building was eventually turned over to the Poor Clares, a contemplative religious order. Now in use by the Sisters of St. Francis, who will be moving to smaller quarters, the monastery will be converted into 51 independent living units. Additional buildings will be constructed to house assisted living units and units for seniors living with Alzheimer's Disease. The project is anticipated to be completed in August 2001.



CLARE ESTATES, BORDENTOWN

INCOME AND PURCHASE PRICE LIMITS INCREASE FOR 2000



HMFA released new 2000

Income and Purchase Price limits for its home buyer mortgage programs in March. The Income and Purchase Price limits have increased since last year,

making HMFA mortgage programs accessible to more New Jersey residents.

"The Whitman administration has helped to place the dream of first time home ownership within the grasp of more than 13,000 hard-working New Jersey families. The increase in Income and Purchase Price limits will allow more families to take advantage of the below market-rate home financing programs HMFA offers."

Deborah De Santis
HMFA Executive Director

For example, under the new 2000 Limits in Atlantic County, the maximum allowable annual income for a family of 4 would increase from \$73,370 to \$76,590, and the maximum home purchase price for an existing single family home would increase from \$129,647 to \$167,909. The income limits vary by county and size of household. Income and Purchase Price limits are higher in targeted areas.

Home Buyers who qualify under the Income and Purchase Price limits are eligible for a variety of financing options including the HMFA Home Buyer Program, the Home Ownership for Performing Employees program, the Home-Plus program, the Mortgage Opportunity Program, the 100% Financing Program and the Purchase / Refinance and Rehabilitation Program.

2000 BOND PROJECTS

PROJECT NAME	COUNTY	TYPE	UNITS
Buckingham Place	Middlesex	Assisted Living	112
Clare Estates	Burlington	Assisted Living	137
Cook's Pond Senior Housing	Morris	Senior	70
Lafayette Village	Hudson	Family	136
Mews at Collingwood Park	Monmouth	Family	110
Plymouth Place Apartments	Atlantic	Family	128
Rug Mill Families	Monmouth	Family	104
Rug Mill Senior	Monmouth	Senior	98
Sycamore Manor	Monmouth	Assisted Living	124
Victoria Mews	Morris	Assisted Living	97
TOTAL			1,116



HMFA

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UPCOMING EVENTS

JULY

- REALTOR BREAKFAST, ESSEX COUNTY
- 6TH • UHOP TRAINING SESSION
- 20TH • UHOP TRAINING SESSION

AUGUST

- 17TH • UHOP APPLICATION DEADLINE

SEPTEMBER

- REALTOR BREAKFAST, UNION COUNTY
- 20TH • CELEBRATION 50+ EXPO, MIDDLESEX/
SOMMERSET COUNTY

OCTOBER

- MORTGAGE LENDERS BREAKFAST
- REALTOR BREAKFAST, MONMOUTH COUNTY
- PERTH AMBOY HOUSING FAIR
- 26TH • CELEBRATION 50+ EXPO, MONMOUTH
COUNTY

OCTOBER 18TH & 19TH



GOVERNOR'S CONFERENCE ON HOUSING &
COMMUNITY DEVELOPMENT
ATLANTIC CITY CONVENTION CENTER

CHRISTINE TODD WHITMAN

GOVERNOR

JANE M. KENNY

COMMISSIONER, DCA

CHAIRMAN, HMFA

DEBORAH DE SANTIS

EXECUTIVE DIRECTOR

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Home Front is a newsletter produced by the **New Jersey Housing and Mortgage Finance Agency (HMFA)**. HMFA creates and implements programs to advance the rehabilitation, construction and financing of affordable housing for the state's residents, lenders, developers, and contractors. HMFA is the state administrator for federal housing assistance programs, and works in cooperation with state, municipal and not-for-profit agencies. HMFA secures program funding and operating expenses through the sale of taxable and non-taxable bonds to private sector investors, and is not dependent upon funding from the state Treasury.

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